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PROGRAMME BUDGET FOR THE
BIENNIUM 1992-1993

Activities of the Advisory Committee on Administrative and Budgetary Questions

First report of the Advisory Committee on Administrative and Budgetary Questions

A. General

1. The major functions of the Advisory Committee on Administrative and Budgetary Questions, as defined by the General Assembly in its resolution 14 (I), section A, of 13 February 1946, are:

> "(a) To examine and report on the budget submitted by the Secretary-General to the General Assembly;
>
> "(b) To advise the General Assembly concerning any administrative and budgetary matters referred to it;
>
> "(c) To examine on behalf of the General Assembly the administrative budgets of the specialized agencies and proposals for financial arrangements with such agencies;
>
> "(d) To consider and report to the General Assembly on the auditors' reports on the accounts of the United Nations and of the specialized agencies."

In addition, the Advisory Committee reports on administrative budgets and other matters to the governing bodies of the United Nations Development Programme, the United Nations Children's Fund, the United Nations Population Fund, the Office of the United Nations High Commissioner for Refugees (voluntary funds), the United Nations International Drug Control Programme,

the United Nations Relief and Works Agency for Palestine Refugees in the Near East, the United Nations Environment Programme (Environment Fund), the United Nations Habitat and Human Settlements Foundation, the United Nations Institute for Disarmament Research, the United Nations University, the United Nations Institute for Training and Research and the World Food Programme.

2. Under rule 156 of the rules of procedure of the General Assembly, the members of the Advisory Committee, no two of whom shall be nationals of the same State, shall be selected on the basis of broad geographical representation, personal qualifications and experience.

3. The members of the Advisory Committee are:

Mr. C. S. M. MSELLE (Chairman)

Mr. Ahmad Fathi AL-MASRI

Mr. Leonid E. BIDNY

Mr. Carlos CASAP

Mr. Kwaku Dua DANKWA

Mr. Even FONTAINE-ORTIZ

Mr. Yogesh K. GUPTA

Mr. Tadanori INOMATA

Mr. Richard KINCHEN

Mr. M'hand LADJOUZI

Mr. Zoran LAZAREVIC

Mr. E. Besley MAYCOCK

Mr. Wolfgang MUENCH

Ms. Irmeli MUSTONEN

Ms. Linda SHENWICK

Mr. YANG Hushan

4. In 1992, the Advisory Committee met in special session in New York from 10 to 14 February and from 9 to 13 March, in regular session in New York from 7 April to 22 May, at The Hague from 26 to 27 May, at Copenhagen from 28 to 29 May, at Geneva from 1 to 12 June, and again in New York in special session from 6 to 17 July. The present report discusses in general terms the matters that were before the Committee at each of these locations.

B. Meetings in New York

1. Voluntary funds and programmes

5. In New York, the Advisory Committee met with the Administrator of the United Nations Development Programme (UNDP), and submitted a report (DP/1992/39) to the Governing Council of UNDP at its thirty-ninth session (4-29 May 1992) dealing with:

(a) Revised budget estimates for 1992-1993 (DP/1992/40);

(b) Report on the Commonwealth of Independent States and the Baltic States (DP/1992/51);

(c) Trusts funds established by the Administrator in 1991 (DP/1992/38/Add.2).

The Committee also had before it a number of other reports referred to in document DP/1992/40.

6. In May, the Advisory Committee met with the Executive Director of the United Nations Children's Fund and submitted to the Executive Board of UNICEF a report dealing with:

(a) Proposed format for future global funds programme budgets (E/ICEF/1992/AB/L.1);

(b) Criteria for core versus project posts (E/ICEF/1992/AB/L.15);

(c) Budget format for country programme recommendations (E/ICEF/1992/AB/L.17);

(d) Revisions to the budget format for the administrative and programme support budget (E/ICEF/1992/AB/L.14);

(e) Structure and format of income projections (E/ICEF/1992/AB/L.13);

(f) Structure and format of financial medium-term plan (E/ICEF/1992/AB/L.12);

(g) Review of UNICEF job classification system (E/ICEF/1992/AB/L.16);

(h) Recovery of costs for prorated project posts and incremental field overheads on supplementary-funded programmes (E/ICEF/1992/AB/L.8);

(i) Report on headquarters office accommodation (E/ICEF/1992/AB/L.9).

7. The Committee also considered, at its special session in July, a proposal of UNICEF to relocate its Geneva office, including the Greeting Card Operation, to the International Air Transport Agency premises in Geneva. In

the opinion of the Advisory Committee, there is a need for a comprehensive overall plan for accommodation of all United Nations agencies in Geneva, including UNOG, and close inter-agency cooperation with a view to making the most cost-effective arrangements in a coordinated manner, taking into account the long-term space requirements of the agencies concerned, the office space available in Geneva and the current market rates, including offers made by local authorities. The Committee therefore requested the Executive Director of UNICEF and the Secretary-General to provide additional information in this regard. The Committee intends to consider the space requirements of UNICEF at Geneva and in New York at its fall session, in the context of a United Nations overall plan for office accommodation, which it has requested.

8. A meeting was held with representatives of the Executive Director of the United Nations Population Fund (UNFPA) to consider a request to transfer credits among programmes. The Advisory Committee concurred in the transfer.

9. During its session in New York, the Advisory Committee met with the Acting Executive Director of the United Nations Institute for Training and Research (UNITAR) to consider the 1992 budgetary proposals for the Institute as submitted in document UNITAR/EX/R.172 and revised pages. However, at the outset of its meeting, the Committee was informed by the Acting Executive Director of the Institute that the document had been withdrawn and that new budget proposals would be presented to the Board of Trustees in the fall of 1992.

10. The Committee noted that an advance of some $2 million from the United Nations had been included in the budget proposals. During the course of the ensuing discussion, the Committee was informed that the United Nations had been paying costs which UNITAR could not meet from voluntary contributions. The Committee wrote to the Secretary-General to express its concern about the legislative basis for financing UNITAR activities from the regular budget and to request that, pending such action as the General Assembly may take with respect to UNITAR, the Secretary-General identify appropriations against which to charge the minimum costs relating to its staff. The Committee also requested the Secretary-General to have the Institute submit a revised budget for consideration by the Advisory Committee and the Board.

11. The Committee further requested the Secretary-General to expedite the preparation of the report on the future role of UNITAR in training programmes within the United Nations system, as requested in paragraph 5 of General Assembly resolution 46/180 and to submit the report for action on a priority basis by the Assembly at its forty-seventh session.

12. Pursuant to the request contained in section XVI, paragraph 3, of General Assembly resolution 46/185 C, the Advisory Committee considered, for the first time, the administrative and programme support costs of the United Nations International Drug Control Programme (UNDCP) for the biennium 1992-1993 (E/CN.7/1992/12/Add.1), together with the report of the Executive Director on financial data on operational activities in 1991 (E/CN.7/1992/CRP.10) and a note by the secretariat of UNDCP on the programme of future work and

priorities (E/CN.7/1992/12), and submitted its report thereon. During its consideration of the documents, the Committee met with representatives of the Executive Director of the Programme.

13. In March, the Advisory Committee considered a proposal from the Office of the United Nations High Commissioner for Refugees (UNHCR) that it avail itself of the offer made by the Government of Switzerland and move into the Immeuble administratif de Montbrillant.

14. While the Committee agreed that the terms offered by the Swiss authorities appeared attractive, the Committee indicated that UNHCR should further negotiate the overall terms of the offer; in this connection, the Committee highlighted a number of issues which it believed merited attention. Subject to those observations, the Advisory Committee did not interpose any objection to UNHCR's proposal to rent accommodations in IAM.

2. Peace-keeping

15. During its sessions in New York, the Advisory Committee considered a number of reports related to peace-keeping. In February, the Committee's approval was requested for the utilization of $2.8 million from the support account for peace-keeping operations in the biennium 1992-1993 to meet the cost of renting office space in the Alcoa Building in order to accommodate mission support personnel for peace-keeping operations.

16. While agreeing that additional space was required, the Committee was not convinced that the arrangement proposed by the Controller to secure such space was the most suitable; the Committee was not in a position to pronounce itself on the proposed method of financing, recalling its intention to consider the question of whether the support account should be charged for common services in the context of the report on the operation of the account, to be submitted in 1992.

17. In the circumstances, the Committee concurred in the Controller's request for commitment authority, on the understanding that the requested amount should be regarded as a ceiling. The Committee also requested the Secretary-General to review his options and to report back with an indication of the savings that he had been able to achieve in this regard.

18. In March, the Committee's approval was sought for 138 additional work-months of temporary assistance and 3 posts. The Committee concurred in additional temporary assistance amounting to $605,100, but did not approve the establishment of the three posts.

19. In May, the request was for the establishment of nine core posts for the Unit for Peace-keeping Matters and Special Assignments, Office of Programme Planning, Budget and Finance, and twenty-four temporary assistance posts (each for a period of one year) to be distributed within the various areas of the Department of Administration and Management. In concurring in the request,

the Advisory Committee stated its expectation that the revised estimates of the 1992-1993 budget to be submitted to the forty-seventh session, would clearly indicate the role of those posts financed by the regular budget vis-à-vis peace-keeping operations, with clarification on the rationale between "core" and temporary assistance posts, since, in the opinion of the Advisory Committee, all posts funded by the support account should be temporary.

20. During its February session, the Advisory Committee considered a request of the Secretary-General, submitted in accordance with the provisions of General Assembly resolution 46/194 concerning the level of commitments to be entered into with regard to the operation of the United Nations Interim Force in Lebanon (UNIFIL) for the six-month period from 1 February to 31 July 1992.

21. In considering the level of commitments requested by the Secretary-General, i.e. $80,022,000 gross ($78,534,000), the Advisory Committee bore in mind that the Security Council, in extending the mandate of UNIFIL for the six-month period through 31 July 1992, had also approved the overall objective outlined in the report of the Secretary-General, 1/ aimed at promoting the greater effectiveness of UNIFIL. The Council had also approved the recommendation in the report of the Secretary-General 2/ calling for a reduction in the size of the headquarters and support elements of the six infantry battalions and the withdrawal of the heavy mortars with which some of the battalions were equipped. The Committee was informed that it was not possible to specify when those recommendations would be implemented; however, it was unlikely that the entire amount being requested would be needed.

22. In the circumstances, the Committee concurred in the level of commitments not exceeding $76,672,000 gross for the period in question.

23. The Advisory Committee also considered the Secretary-General's request to utilize an amount not exceeding $8,628,000 gross ($8,136,000 net) for the maintenance of the United Nations Mission for the Referendum in Western Sahara (MINURSO) for the period 1 March to 31 May 1992. In giving its concurrence, the Committee requested the Secretary-General to submit an updated performance report on the operation and detailed cost estimates for the financial arrangements which would be required to implement such decisions as the Security Council may take on the future of MINURSO. Subsequently, in July, the Advisory Committee considered the Secretary-General's request to enter into additional expenditures not exceeding $7.3 million gross ($7 million net) for the maintenance of MINURSO for the period 1 June to 31 August 1992. The Advisory Committee concurred in the Secretary-General's request, pending receipt of a report to the General Assembly, which should include, if necessary, details of financial arrangements designed to accommodate modifications in MINURSO's mandate as a result of decisions of the Security Council.

24. In February, the Advisory Committee considered and concurred in the Secretary-General's request to enter into commitments of up to $10 million for the deployment of an additional 25 military liaison officers in Yugoslavia pursuant to Security Council resolutions 727 (1992) and 740 (1992).

Subsequently, in March, the Advisory Committee considered the report of the Secretary-General on the financing of the United Nations Protection Force (UNPROFOR) (A/46/236/Add.1) and issued a report (A/46/893) thereon to the General Assembly at its forty-sixth session. In July, the Advisory Committee considered the Secretary-General's request for its approval for the temporary increase of 25 international and 36 local civilian personnel for UNPROFOR. In giving its concurrence, the Advisory Committee stated its expectation that the Secretary-General would provide to the General Assembly, at the earliest part of its forty-seventh session, inter alia, the performance report requested by the General Assembly in resolution 46/233.

25. In February, the Advisory Committee concurred in the Secretary-General's request to enter into commitments of up to $10 million prior to the approval of the budget of the expanded operation of the United Nations Observer Mission in El Salvador (ONUSAL) by the General Assembly. In May, the Committee considered that budget, as contained in document A/46/900 and submitted its related report (A/46/904).

26. In February, the Advisory Committee also concurred in the Secretary-General's request for commitment authority up to $10 million prior to the approval of the budget for the expansion of the United Nations Advance Mission in Cambodia (UNAMIC). That budget was submitted in document A/46/855; the Advisory Committee's related report was submitted to the General Assembly in document A/46/873.

27. At its session in February, the Advisory Committee considered the report of the Secretary-General, contained in document A/46/235/Add.1, on the financing of the initial phase of the implementation plan of the United Nations Transitional Authority (UNTAC); the Committee's related report is contained in document A/46/874. In May, the Committee also considered a report of the Secretary-General on the financing of UNAMIC and UNTAC (A/46/903) and its related report is contained in document A/46/916.

28. In order to set up the United Nations Operation in Somalia (UNOSOM) and to provide for its maintenance during the initial two-month period, the Secretary-General requested the Advisory Committee's concurrence to enter into commitments in the amount not exceeding $7.41 million under the terms of General Assembly resolution 46/187 on unforeseen and extraordinary expenses for the biennium 1992-1993, pending the submission of a detailed report on the financing of the operation. The Advisory Committee concurred in the Secretary-General's request.

29. In June, while the Committee was at Geneva, the Secretary-General requested commitment authority in an amount not to exceed $2.9 million in connection with the operation of UNAVEM II and its enlarged mandate. The Committee concurred in the request, which was made pending the submission of the Secretary-General's report on the financing of UNAVEM in connection with its enlarged mandate. That report, contained in document A/46/934/Add.1, was considered by the Advisory Committee at its special session in New York in July; the Committee's related report is contained in document A/46/945.

30. The Advisory Committee considered, in July, the Secretary-General's report on the financing of the United Nations Iraq-Kuwait Observation Mission (UNIKOM). The purpose of the report was, inter alia, to request the approval of the Advisory Committee as to the level of commitments to be authorized for the six-month period of 9 April to 8 October 1992. The requirements for this period were estimated at $31,710,000 gross ($30,908,200 net). However, the Advisory Committee authorized an amount not exceeding $28.5 million, in the belief that it would be possible to continue the operation at a somewhat lower level of expenditure without impeding its performance.

3. Regular budget

31. During its regular session in April/May, the Advisory Committee considered the Secretary-General's statement of programme budget implications on the restructuring and revitalization of the United Nations in the economic, social and related fields, as contained in document A/C.5/46/83; an oral statement was made by the Chairman to the Fifth Committee at its 63rd meeting.

32. The Advisory Committee also considered the Secretary-General's report on the budget performance in respect of the financial period 1990-1991 and the request contained therein to commit an amount of $11,971,200 over and above the appropriations approved for the biennium 1990-1991 in General Assembly resolution 46/184. The Secretary-General's request was submitted pursuant to the same resolution, which provided that in addition to the appropriations noted by the Assembly, a net amount of $13,867,100 may, with the prior concurrence of the Advisory Committee be committed in respect of the regular budget for the biennium 1990-1991.

33. The Advisory Committee did not approve the Secretary-General's request, as it did not believe that an assessment was necessary at that time. However, the Committee informed the Secretary-General that it would review the necessity for an additional appropriation and subsequent assessment in the light of an updated report to be provided by December 1992 on the status of unliquidated obligations for 1990-1991.

34. At its resumed session in July, the Advisory Committee, pursuant to its earlier request, received a report from the Secretary-General on the progress of construction of additional conference facilities at the Economic Commission for Africa (ECA) at Addis Ababa. In that report the Secretary-General also informed the Committee of developments regarding the claim submitted by the contractor of the Economic and Social Commission for Asia and the Pacific (ESCAP) project at Bangkok (as earlier described in A/C.5/46/22) and of the United Nations own claim for damages, and requested the Committee's approval to apply interest income earned on the appropriations for the construction project at ESCAP to provide for the $535,000 of the additional site supervision. The Advisory Committee concurred in the Secretary-General's request.

35. In order to undertake alterations and improvements in the General Assembly Hall and the Security Council Chamber, the rehabilitation of the structures above the FDR Drive and repair of the dividing wall in the service drive area, the Secretary-General requested the Advisory Committee's concurrence to enter into commitments in the amount of $4,410,000 under the terms of General Assembly resolution 46/187 on unforeseen and extraordinary expenses for the biennium 1992-1993. The Advisory Committee concurred in the Secretary-General's request.

36. At the same session, the Committee also considered a report of the Secretary-General on the interim secretariat arrangements related to the United Nations Conference on Environment and Development. In this connection, the Committee noted that the Conference recommended the establishment of a high-level Commission on Sustainable Development and that specific organizational modalities for the work of the Commission should be decided by the General Assembly at its forty-seventh session. In the meantime, the Secretary-General was requested to ensure adequate interim secretariat arrangements.

37. Without prejudice to the decisions of the General Assembly regarding the establishment of the Commission and any support arrangements, the Secretary-General, after having reviewed the activities to be carried out between 1 August and 31 December 1992, estimated that general temporary assistance would be needed to finance through the end of 1992, the equivalent of one D-2, two D-1, one P-5, one P-4 and three General Service posts; the Committee notes that these are in addition to the posts already approved through the end of 1992 by the Assembly at its forty-sixth session.

38. On the basis of the information before it, the Advisory Committee concurred in the Secretary-General's request for commitment authority; however, it also requested him to review the resources required, including the numbers and grades of the proposed staff, taking into account their responsibilities and the mandates contained in the relevant decisions of the Conference. The Committee also informed the Secretary-General that, on the basis of information provided regarding the expenditures incurred under section 11C of the programme budget, it was of the view that no additional appropriation should be requested for this purpose.

4. Other

39. During its regular sesion in April/May in New York, the Committee considered its working procedures. The Committee intends, insofar as it deems appropriate, to report in greater detail about this matter in the context of its report on the review to be undertaken by the Secretary-General in accordance with General Assembly resolution 46/185, section VII, paragraph 2.

40. At the same session, the Advisory Committee considered a letter outlining the current financial position of the United Nations Office for Coordination of Humanitarian and Economic Assistance Programmes Relating to

Afghanistan (UNOCA) and seeking its approval of the creation of an extrabudgetary post at the D-2 level for that Office. In this connection, the Secretary-General stated his belief that the mandate of UNOCA should be extended through 31 December 1992. Bearing in mind the Secretary-General's intent to suppress four other posts (one ASG and three D-1 posts), the Advisory Committee concurred in the proposal to create the extrabudgetary post at the D-2 level. At the same time, it indicated that it would revert to this question in the context of its examination of the report of the Secretary-General on the strengthening of the coordination of emergency humanitarian assistance of the United Nations system pursuant to General Assembly resolution 46/182.

41. Pursuant to its request to the Secretary-General of 15 December 1991 that it be provided with the final audit on UNOCA and detailed recommendations on such corrective measures as warranted by the findings of the internal review and staff regulations, the Advisory Committee received and took note of the report of the Secretary-General regarding the update on the results of the audit. The Committee did not believe that all the issues raised by the internal auditors had been satisfactorily addressed, and it indicated that it would revert to the matter in the context of its examination of the report of the Board of External Auditors and report its views to the forty-seventh session of the General Assembly.

42. In February, the Advisory Committee concurred in the Secretary-General's request for the temporary continuation through 31 March 1992 of five posts (one ASG, one D-2 and three D-1 posts) for the Office of the Executive Delegate and the United Nations Guards Contingent for the Inter-Agency Humanitarian Programme in Iraq. Subsequently, in April, the Advisory Committee also considered and concurred in a request by the Secretary-General for the temporary continuation of the high-level posts for the United Nations Inter-Agency Humanitarian Programme in Iraq and the United Nations Guards Contingent for the period 1 April to 30 June 1992. At the same time, the Committee expressed its serious concern about the top-heavy structure of the programme and questioned the need for such a large number of senior staff. The Committee also stated that it expects to be informed of the status of the operation in the context of the Secretary-General's report on the strengthening of the coordination of emergency humanitarian assistance of the United Nations system pursuant to General Assembly resolution 46/182.

43. At its special session in July, the Committee's concurrence was sought concerning the proposed financial arrangements for the acquisition of a new telephone system and related local area networks (LAN) wiring for all United Nations offices at Nairobi. As outlined in the Secretary-General's report, the replacement of the telephone system at Gigiri, at an estimated cost of $2.5 million, would provide the additional capacity required in the four additional office buildings that are now being constructed and would resolve problems within the existing obsolete system, which is soon to be replaced.

44. Since most of the usage of the system would be for extrabudgetary activities, tenant financing will cover most of the cost of the project, an exact breakdown of which was provided to the Committee. The Advisory Committee notes that the total includes an amount of $330,000 from the regular budget, which represents that portion of the appropriation under section 35 of the programme budget for 1992-1993 that has already been allocated to the regular budget share of the LAN cabling. The Committee was also informed that no additional resources would be required under the regular budget for the project.

45. On the basis of the information before it, the Committee concurred in the Secretary-General's proposal; at the same time it stated its belief that the installation of the system might lead to future reductions in clerical and other support staff.

C. Meetings at The Hague

46. At The Hague, the Advisory Committee met with members of the International Court of Justice and its Registrar and discussed various items of concern and interest, one of which was the question of the adequacy of the premises and accommodation of the Court, a problem which in turn relates to the increased number of ad hoc judges in view of the Court's increased case-load. The Committee also discussed various issues relating to the pension of the members of the Court, the size of the Court Registry staff and other matters pertaining to the Court's budget.

D. Meetings at Copenhagen

47. Bearing in mind General Assembly decision 45/450, which, inter alia, invited the Advisory Committee to continue its consideration of administrative and budgetary issues relevant to more effective coordination among the organizations and programmes of the United Nations system, the Committee decided to focus on the question of coordinated procurement in the United Nations system. In this connection, the Committee notes that a total of $1,762.8 million in goods and services was procured by the United Nations system in 1991; in other words, the potential cost savings to be realized through an effective, coordinated procurement system are substantial.

48. After an initial meeting in New York with representatives of the Secretary-General, the Committee visited the UNICEF Supply Division and the Inter-Agency Procurement Services Office (IAPSO) of UNDP, which share joint premises constructed by the Government of Denmark at the Copenhagen Freeport. The matter of coordinated procurement also featured in the Committee's discussions with the specialized agencies at Geneva.

49. The question of coordinated procurement dates back a number of years. For example, in June 1977, the Governing Council of UNDP authorized the Administrator of UNDP to set up a small coordinating unit for initial

experimental work on the exchange of information and the sharing of techniques on procurement matters among the organizations of the United Nations system. The office, which was named the Inter-Agency Procurement Services Unit (IAPSU) (subsequently changed to the Inter-Agency Procurement Services Office (IAPSO)), became operational on 1 January 1978. The General Assembly, in its resolution 32/197 of 20 December 1977, on the restructuring of the economic and social sectors of the United Nations system, also referred to the matter, recommending, inter alia, that "measures should be taken to achieve maximum uniformity of administrative, financial, budgetary, personal and planning procedures, including the establishment of a common procurement system ..." Since that time, annual meetings of the heads of procurement services within the United Nations system have been held.

50. Efforts to achieve better coordination in procurement have intensified in recent years. In this connection, the Advisory Committee, in its first report on the proposed programme budget for 1988-1989, requested the Secretary-General to determine the possible benefits to be derived from a close coordination of the operations of the United Nations Supply Depot at Pisa and those of the UNICEF Procurement and Assembly Centre at Copenhagen. 3/ In September 1988, the Consultative Committee on Administrative Questions (Financial and Budgetary Questions) began reviewing and discussing the subject of coordinated procurement.

51. Subsequently, in December 1990, the Secretary-General announced the establishment of coordinated procurement activities at Copenhagen in order to achieve better coordination in procurement for the United Nations system, including the benefits resulting from standardization, as well as combining orders to take advantage of economies of scale and standardization. At the same time, a Steering Committee composed of representatives from the United Nations, UNDP, UNICEF and UNHCR (which together account for approximately 65 per cent of the total procurement volume of the United Nations system in a given year) was set up to oversee further work aimed at reducing cost and improving services. In announcing the establishment of this group, the Secretary-General stated that the Steering Committee would be assisted by the Coordinated Procurement Working Group, composed of senior staff members of the various organizations responsible for procurement and contracting activities, and he urged other organizations within the United Nations system to participate in the Working Group.

52. In its report on the proposed programme budget for 1992-1993 (issued in August 1991), the Advisory Committee noted the establishment of the Steering Committee and stated its view that greater inter-agency coordination and cooperation should be encouraged. 4/

53. Significant progress has been achieved to date on a number of areas relating to the establishment of a cost effective procurement system. For example, the common-user items which could benefit from some form of coordinated or central purchasing arrangements have been identified and agreed upon. Furthermore, a standardization programme for motor vehicles (the largest category of common-user items) has been adopted by all organizations

in the system and the first collective international bidding exercise for this comodity group has been completed. In addition, a common coding system has been adopted by the United Nations system for classification of all equipment, supplies and services. Such a system is a prerequisite for an inter-agency exchange of data, compilation of system-wide reliable statistics and central analysis of data.

54. The Advisory Committee is encouraged by these developments. As became apparent during the course of its discussions, not only with the United Nations, UNICEF and UNDP, but also with the specialized agencies, most United Nations entities believe that at this stage the aim should be to pursue an improved coordinated procurement system which would continue work in such areas as standardizing common-user items, and negotiating the best prices for these items with the shortest delivery time, rather than establishing a centralized procurement system under which procurement on behalf of all participants would be undertaken through a central office.

55. The Advisory Committee agrees with this approach; to this end, it encourages the participants of the Steering Committee (the United Nations, UNICEF, UNDP and UNHCR) not to lose momentum and to redouble their efforts to address the outstanding administrative and financial issues which must be resolved in order for the system fully to realize the benefit.

E. Meetings at Geneva

56. While at Geneva, the Advisory Committee met with the Director-General of the United Nations Office at Geneva (UNOG), with the Joint Inspection Unit (JIU) and with representatives of the specialized agencies.

57. Although the Committee traditionally meets with JIU each time it visits Geneva, this year's meetings were considerably more involved in view of General Assembly decision 46/446, in which it inter alia:

> "(g) Requested the Advisory Committee, within its mandate and with due respect to the statute of the Joint Inspection Unit, to examine the functioning of the Joint Inspection Unit, including the proposals thereon contained in paragraphs 12 to 16 of the 1991 report of the Unit, and taking into account the views of the Unit on this subject, to submit to the General Assembly at its forty-seventh session recommendations for the enhancement of the productivity and performance of the Unit."

58. The Advisory Committee and the Unit held a series of meetings together during which views were exchanged and the Inspectors described their views of the current situation, including working conditions and methods and treatment of their reports, as well as their ideas for future improvement. The Advisory Committee intends to revert to this matter during its autumn 1992 session and will report to the General Assembly thereon.

59. The Advisory Committee also raised the subject of JIU during meetings with representatives of the specialized agencies. The Advisory Committee sought and received information from a number of the agencies about the extent of their contacts with the Unit, their use of the Unit's reports and their ideas for enhancing the Unit's performance and productivity.

60. In keeping with its recent practice to concentrate on specific matters of system-wide concern, the Advisory Committee also pursued the question of coordinated procurement with the agencies (see para. 53 above).

61. The Committee continued its discussion with the agencies on ways and means of making its work in administrative and budgetary coordination more relevant. It was generally agreed that concentrating on a topic of system-wide concern was more useful than in-depth examination of individual agency budgets; by the time the Advisory Committee would be able to examine these budgets (in even-numbered years), most would have already been approved, and even if this weren't the case, the amount of work involved would be prohibitive given the scope of the Advisory Committee's responsibilities in other areas.

62. It was noted that the statistical information which used to be collected by the Advisory Committee and reported to the General Assembly will henceforth be produced by the Administrative Committee on Coordination and issued by the Secretary-General. The agencies and the Advisory Committee are continuing to explore the possibility of regular meetings with the Consultative Committee on Administrative Questions (Financial and Budgetary Questions), perhaps to take place in the fall of odd-numbered years.

63. During its session at Geneva, the Committee also met with the Director of the United Nations Institute for Disarmament Research (UNIDIR) and representatives of the Secretary-General to consider the Institute's draft work programme and proposed budget for 1993, as prepared by the Institute. In accordance with the procedures outlined in article VIII of the statute of the Institute, the Committee submitted its report to the Board of Trustees of UNIDIR.

Notes

1/ S/23452.

2/ S/22129/Add.1.

3/ Official Records of the General Assembly, Forty-second Session, Supplement No. 7 (A/42/7), chap. II, paras. 2A.33-2A.36.

4/ Ibid., Forty-sixth Session, Supplement No. 7 (A/46/7), chap. II, paras. 33D.32 and 33D.33.